

2006 Legislative News

JANUARY 2006

Dear Friends,

The challenge of the 60-day session beginning on January 9 is fitting all our work into two months. At the top of the list will be the supplemental operating budget. With revenue forecasts trending upward and our state economy picking up speed, the good news is that there will be additional funds to meet a number of needs. Even though there are tremendous demands for those additional dollars, we must retain a responsible reserve fund and be prepared for any economic downturn.

Some of the state's long-term responsibilities that we were not able to address in the biennial budget during the 2005 session will now become top priorities in the supplemental budget. We need to provide funding to decrease our state's unfunded pension liability. We also need to respond to growing numbers of K-12 education students and increased demands for social services and correctional services. In addition, we expect funding requests for assistance in helping students to pass the Washington Assessment of Student Learning (WASL).

Even though fewer bills are considered in the shorter sessions, I anticipate that the Legislature will be considering several other important issues, including medical malpractice, health care, emergency management readiness and energy.

Thank you to all who have contacted me by letter, phone call to my office, hotline message, or e-mail. I appreciate your letting me know how you feel about the various issues we are considering.

Sincerely,



HEALTH-CARE COST UPDATE

In recent newsletters I have shared with you the experiences of a local businesswoman with escalating medical insurance costs. Here is an update: Her premium **cost per month** for insurance for her and her husband went from \$425, to \$650, to \$766 and last summer to \$930. At that point, she decided to modify her benefits, but will still pay \$713, with a much larger deductible.



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Standing Committees:

- Financial Institutions, Housing & Consumer Protection
- Natural Resources, Ocean & Recreation
- Rules
- Transportation

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2005 Budget Highlights

Last April, facing a budget shortfall of \$1.8 billion, we passed a state budget that invested in public schools, increased access to higher education and maintained the social safety net. The 2005 biennial budget also included some cuts and a modest revenue package, most of which will go toward funding education. It contained no general tax increases, and maintained a healthy reserve of about \$200 million, which has been greatly increased by projected new revenues for this coming year.

The budget we passed made significant investments in education. It fully funded Initiative 728, the class-size reduction measure, and Initiative 732, the cost-of-living increase for public school teachers, which were overwhelmingly passed by voters more than two years ago. This is the first time we have been able to fully fund both initiatives.

Our commitment to education also included a 12 percent increase in levy equalization, an expansion of the Learning Assistance Program (LAP) to 100 percent of the poverty level and a boost in special education funding.

We will see an increase in access to higher education. The public community and technical colleges and universities asked for funds to help offset the influx of as many as 26,000 additional students who will want to attend by 2010. We recognized this growing demand and funded close to one-third of that need, or about 8,000 new enrollments.

To help more middle-class families afford college, the budget increased the number of students eligible for a State Need Grant. Financial aid was significantly increased to \$70 million to help make attending college more affordable for students from low- and middle-income families.

The 2005 capital budget included money to improve higher education facilities around the state in order to serve more students. The Higher Education Coordinating Board received funding to assess the higher education needs in Snohomish, Skagit and Island counties.

Health care

Ensuring access to quality, affordable health care is among my highest priorities. The 2005 budget maintained the Basic Health Plan at 100,000 enrollees and maintained the current Medicaid eligibility and standards. By returning to premium-free children's medical coverage and by adding 38,000 children to the state's health plan, we improved children's access to health care through the Medicaid program. Currently, about 60,000 children are without coverage.

With the state's loss of \$82 million in federal Medicaid funding, 2005 could have been one of the worst years for our mental health system in a long time. However, the Legislature backfilled \$80 million of these lost federal funds for mental health services to protect this vulnerable population from a severe reduction in services. For the uninsured we expanded and integrated treatment for mental health and chemical dependency.

After years of trying, we passed legislation to achieve parity for mental health coverage in health insurance plans. This means that those who have severe and persistent but treatable mental health issues will now be covered by their health plans for the care they need. The new law applies to businesses with more than 50 employees.

Small businesses are trying to do the right thing by providing health care for their employees – but they need help in finding affordable options. Allowing small business employers to purchase health insurance benefits for themselves and their employees and families through the programs administered through the state could allow these employers to benefit from much lower rates than those currently available to them. Legislation to make this happen did not pass last session, but we will continue to work for a solution to this issue.

Transportation

We know the 2001 Nisqually earthquake temblor may have been just a wake-up call. But another earthquake could likely bring down a number of the bridges and overpasses that were weakened in 2001, which could result in significant fatalities and bring our state economy to a grinding halt. Experts tell us that it's not a matter of if – it's a matter of when.

In 2003, the Legislature adopted the Nickel Package to improve public safety on our roadways, jumpstart economic development and solve some of the worst traffic bottlenecks in our state. The package is currently funding the construction of a number of transportation projects statewide. These projects are funded from start to finish, and in nearly every case, are progressing on time and on budget.

In the 40th Legislative District, these include:

- replacement of the Second Street bridge on I-5 (Mount Vernon),
- ramps on SR 11/Old Fairhaven Parkway (Bellingham),
- widening SR 20/Fredonia to I-5,
- four new ferries, and
- new multimodal terminal in Anacortes.

The Nickel Package alone was not sufficient to address the transportation needs in the state. That's why last session, the Legislature approved a bipartisan, 16-year transportation plan to address some of the largest outstanding public safety and traffic relief projects in central Puget Sound: the Alaskan Way Viaduct, the 520 bridge, and Interstate 405, as well as more than 300 other critical highway, bridge and intersection repairs in

Oil Spill Advisory Council

To minimize the risk of oil spills, improve oil spill prevention and ensure a rapid response, I sponsored and the Legislature passed a bill to create an independent Oil Spill Advisory Council. The 16-member council will review the adequacy of oil spill contingency plans in our marine waters and make recommendations to the Department of Ecology on spill prevention program improvements. Members have been appointed by the governor and include representatives of citizen organizations, shoreline residents, local government and marine trades as well as oil shipping and production interests. It was important to me to have an advisory council that represents all interests and would not be dominated by regulators or oil industry officials.

Environment

To achieve cleaner air for Washington citizens, we passed landmark legislation that will reduce car emissions. More than 50 percent of the air pollution in our state can be linked to automobile emissions. This pollution can lead to respiratory illnesses, including asthma, and even cancer. This year, Washington became the ninth in a growing list of states that have adopted the "California standards" for vehicle emissions. States were given two choices: the federal standards or the tougher California standards.

All public buildings that receive state funding will be required to meet green building standards. Green buildings are constructed using practices that emphasize fresh air, natural light, minimal toxins and clean storm water. They are also energy efficient. This measure promotes the use of Washington-grown lumber and state-of-the-art construction techniques. A broad coalition of builders, architects, school administrators and environmentalists supported this measure.

Keeping our marine waters clean isn't just good for the environment – it makes good economic sense, too. Legislation was passed to begin the rehabilitation of

Hood Canal, where leaky septic tanks have polluted the waterways and shellfish beds, creating dead zones where fish and other aquatic wildlife cannot live because the oxygen has been depleted.

Our shorelines in northwest Washington are still doing very well, but we have had incidents that prompted closures. With several shellfish businesses in our local area, we need to make sure that our waters are clean.

This session I will continue to work on legislation I sponsored last year to create a process for local health departments to designate marine recovery areas where failing on-site septic systems have caused environmental and health problems, and to establish programs to identify and repair failing systems in those areas. The 2005 operating budget provided \$1.3 million for Puget Sound counties to launch cleanup programs.

every county of our state. Many of the largest projects will be completed in partnership with local or regional entities, and tolls will likely be imposed on these completed projects.

Included in the 40th Legislative District are:

- safety improvements on several sections of I-5 and I-5 interchanges in Skagit and southern Whatcom counties,
- safety improvements on SR 11 (Chuckanut Drive) and SR 20,
- realignment of I-5 at the SR 11 and Josh Wilson Road interchange,
- new Park & Ride at the south end of Chuckanut Drive, and
- new County Connector bus for Whatcom, Skagit and Island counties.

The transportation budget will be financed through a 9.5 cent increase in the gas tax phased in during the next four years, as well as small annual weight fees on passenger vehicles. Business leaders and other groups supported this historic plan because they know the future of the state depends on a safe and efficient transportation system.

We also funded the Skagit InFARmation Station – a project to install and operate a remote control radio transmitter accessible by travelers along I-5 in Skagit County to inform them of local agricultural activities. The program will include signage to encourage travelers to tune in and will partner with Emergency Services of Skagit County to be used in emergencies such as flood evacuations, road closures or Amber Alerts by overriding the regular programming.

Emergency airlift services

Any family who has ever needed to rely on a helicopter airlift in a medical emergency knows that a single use of this service may cost between \$6,000 and \$8,000. Many families cannot afford this expense even if they have insurance. For those on the mainland, there are other ambulance options. But island and remote-area residents sometimes need the use of a helicopter ambulance.

I sponsored legislation last session to allow helicopter vendors to make medical emergency airlift service both available and affordable for those who live on islands and in other remote places by establishing a subscription service system. The bill did not pass due to concerns from the Office of the Insurance Commissioner and some providers of air ambulance services. However, all of the parties have worked during the past several months evaluating services in other states to try to identify solutions. They have agreed to a bill incorporating their recommendations that I am sponsoring this session.

Growth Management Act

More than a decade ago, we passed legislation creating the Growth Management Act. The intent of the law was for cities and counties to develop plans for future growth and coordinate services. Those plans were to be reviewed, and if necessary, revised on a seven-year schedule. Because of the importance of and time involved in developing completed plans, many cities and counties have requested

additional time. This is important to local governments because they then will not be penalized nor prevented from receiving grants, loans or financial guarantees from various accounts in the state treasury if they need that extra time.

During the 2006 session, we will consider legislation on several other important features of the Growth Management Act, including measures that:

- Clarify how “best available science” is identified and applied to assist local governments in developing critical areas ordinances,
- Create timelines to allow for better alignment of multiple planning requirements, and
- Confirm that state and local government agencies cannot condemn land for private economic development.

Improving emergency response

The House and Senate held joint hearings this fall in Spokane, Tacoma and Vancouver to examine our state’s emergency preparedness, identify problems in state and local agencies’ responses to a natural or manmade disaster and review measures to assist in emergency preparation and recovery. As a result, we will consider bills this session involving funding for local emergency management agencies and first responders. We will consider helping to fund a statewide, around-the-clock 2-1-1 phone system that will help to ensure that the state is prepared to effectively respond to an emergency or natural disaster as well as link people to existing resources on a daily basis.